

1 UNITED STATES DISTRICT COURT

2 SOUTHERN DISTRICT OF OHIO

3 WESTERN DIVISION

4 - - - - -

5 BARBARA LODER :

6 HILDEBRANDT, :

7 Plaintiff, :

8 vs. :

Case No. C-1-02-003

9 HYATT CORPORATION, :

10 et al., :

11 :

12 :

13 Defendants. :

14 - - - - -

15

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17 Videotaped deposition of TYSON W. HELMS, a

18 witness herein, called by the plaintiff for cross-

19 examination, pursuant to the Federal Rules of Civil

20 Procedure, taken before me, Wendy L. Welsh, a

21 Registered Merit Reporter and Notary Public in and

22 for the State of Ohio, at Fisher & Phillips, 420

23 Marquette Building, 140 South Dearborn Street,

24 Chicago, Illinois, on Wednesday, April 17, 2002, at

25 9:28 a.m.

26

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28

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REC'D APR 25 2002

EXHIBIT

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10:31:59 1 the customers, the market segments and so forth that  
 10:32:02 2 made sense under my instruction and came to me with  
 10:32:04 3 a recommendation that I felt made sense.  
 10:32:07 4 Q. Okay. What was your reason for approving  
 10:32:10 5 his recommendation?  
 10:32:11 6 A. I -- I trust Jack's judgment. He has been  
 10:32:16 7 very forthright in the past. I gave him specific  
 10:32:19 8 direction of three things that I wanted him to  
 10:32:22 9 consider. First was to look at cost savings  
 10:32:26 10 opportunities, certainly. The second was to try to  
 10:32:29 11 do it in a way that would minimize lost production  
 10:32:32 12 to the company. And the third was to do it in a way  
 10:32:35 13 that would impact the least amount of people,  
 10:32:37 14 because obviously our people in a management company  
 10:32:40 15 are our most valuable resource.  
 10:32:42 16 Q. Was there any other reason that you had  
 10:32:43 17 other than what you've already mentioned?  
 10:32:45 18 A. No. That's it.  
 10:32:47 19 Q. Okay. Can you explain what your role was  
 10:32:54 20 in the -- in the decision to terminate Miss  
 10:32:57 21 Hildebrandt?  
 10:32:59 22 A. We basically had been experiencing some  
 10:33:01 23 very, very difficult economic times. As you're well  
 10:33:05 24 aware, going into even prior September 11th the --

10:34:18 1 going on in a number of different circumstances, the  
 10:34:18 2 marketplace, what our competitors were doing and the  
 10:34:20 3 like.  
 10:34:20 4 And Scott Miller made a suggestion, our  
 10:34:23 5 president, that it was time that we go in and  
 10:34:26 6 consider taking a look at not only a number of cost  
 10:34:30 7 savings measures that we had already implemented  
 10:34:33 8 prior to September 11th but to go to the next step  
 10:34:35 9 in that area and also to take a look at some of our  
 10:34:38 10 people, because it was really -- it was basically  
 10:34:40 11 impossible to avoid doing that in order to -- in  
 10:34:44 12 order to make some good business decisions.  
 10:34:46 13 I went back, sat down with all of my  
 10:34:49 14 direct reports, Jack Horne being one, Fred Shea  
 10:34:52 15 being another, Rob Sarmiento being another and Steve  
 10:34:57 16 Enselein being the other, and asked them to go back  
 10:35:00 17 to their specific areas, take a look at their  
 10:35:03 18 business from the perspective that I mentioned  
 10:35:05 19 earlier with those three points in mind of trying to  
 10:35:09 20 save us some money where we could, do it in a way  
 10:35:12 21 that would limit the least amount of production loss  
 10:35:14 22 and do it in a way that would impact the least  
 10:35:16 23 amount of people.  
 10:35:17 24 They all came back to me with their

10:33:09 1 the nation was in turmoil, and a lot of corporate --  
 10:33:12 2 corporate business. Our competitors had gone  
 10:33:14 3 through a number of potential reductions in force,  
 10:33:18 4 layoffs and so forth, prior to September 11th. And  
 10:33:21 5 fortunately we at Hyatt were able to avoid that,  
 10:33:24 6 because we really wanted to try very hard to avoid  
 10:33:27 7 something like that.  
 10:33:28 8 Again, as I said, before when you're a  
 10:33:31 9 management company and your role is to deliver  
 10:33:33 10 excellent people to manage our properties, it's  
 10:33:35 11 something that is your asset. It's your number one  
 10:33:37 12 asset.  
 10:33:38 13 When September 11th hit, within the next  
 10:33:42 14 three days we lost over \$44 million worth of  
 10:33:45 15 business in immediate cancellations. Our business  
 10:33:48 16 dropped by, gosh, \$415 million, I believe, over the  
 10:33:53 17 prior year. And -- and we were quite honestly  
 10:33:57 18 forced to make some decisions that we absolutely  
 10:33:59 19 hated to make, but in a people-related business  
 10:34:02 20 where the majority of your costs are related to your  
 10:34:05 21 folks, you have to -- have to consider those types  
 10:34:08 22 of things.  
 10:34:18 23 We had daily meetings following  
 10:34:18 24 September 11th to try to pay attention to what was

10:35:18 1 recommendations. We asked them specifically at that  
 10:35:22 2 point in time to prioritize them --  
 10:35:25 3 I think Jack might have actually been the  
 10:35:27 4 one who came up with the, quote, A, B, C breakdown  
 10:35:31 5 that I think you've seen in some of the documents  
 10:35:33 6 that we have.  
 10:35:34 7 -- in an effort just to ensure that if  
 10:35:37 8 there was another terrorist attack or there was  
 10:35:40 9 something that took place within another 30 days and  
 10:35:42 10 we may have to consider doing something else that --  
 10:35:46 11 that we would at least have looked at it and had  
 10:35:48 12 some thought process behind it.  
 10:35:51 13 I then took the recommendations of my  
 10:35:54 14 folks. I took a -- the opportunity, as, again,  
 10:35:58 15 you've seen in the documents, to basically summarize  
 10:36:00 16 them for our president and for our chief operating  
 10:36:04 17 officer and submitted them to our group. All of our  
 10:36:09 18 departments, all of our hotels did basically the  
 10:36:11 19 same exercise throughout that point in time.  
 10:36:15 20 I can tell you that the day, I don't know  
 10:36:16 21 exactly the date, but the day that we made the  
 10:36:19 22 decision to have to impact our people was one of the  
 10:36:23 23 toughest days that we've ever had. Scott Miller,  
 10:36:26 24 who was usually one of the most outgoing and vocal

11:17:46 1 A. No. They -- and there's a representative  
 11:17:48 2 that sits on this managing committee, but again, as  
 11:17:53 3 I -- as I stated earlier, this was -- their  
 11:17:57 4 involvement was not in specifics in this at all. It  
 11:18:00 5 was very much just, you know, having us go and make  
 11:18:03 6 recommendations for our own specific areas. So no,  
 11:18:10 7 did we have any discussions like that, not at all.  
 11:18:13 8 Q. Well, I understand you said Sara --  
 11:18:16 9 A. Hays.  
 11:18:16 10 Q. -- Hays was part of the managing  
 11:18:18 11 committee, and I understand she's there in her  
 11:18:21 12 corporate capacity --  
 11:18:21 13 A. Uh-huh.  
 11:18:22 14 Q. -- but I -- she was not there in the  
 11:18:23 15 capacity of giving legal advice --  
 11:18:26 16 A. No.  
 11:18:26 17 Q. -- was she? Okay. Do you know of anyone  
 11:18:29 18 else who gave legal advice about this reduction in  
 11:18:32 19 force?  
 11:18:33 20 A. Not to me specifically, no.  
 11:18:41 21 Q. Okay. Do you know if -- if anyone gave  
 11:18:42 22 legal advice to anyone else?  
 11:18:45 23 A. Not on my team.  
 11:18:58 24 Q. Okay. Let's see. Did Tom Pritzker play

11:19:13 1 any role in this reduction in force?  
 11:19:15 2 A. No.  
 11:19:16 3 Q. Did any members of the Pritzker family  
 11:19:20 4 play any role?  
 11:19:21 5 A. No.  
 11:19:27 6 Q. What role did Scott Miller play in this  
 11:19:30 7 reduction in force?  
 11:19:31 8 A. Only the role that I had mentioned before  
 11:19:34 9 where we had analyzed the need to have to make some  
 11:19:47 10 drastic steps within our business. He just, like  
 11:19:47 11 myself, trusts his people, believes that, you know,  
 11:19:49 12 we are the ones who know our departments certainly  
 11:19:53 13 better than he does, asked us to go, as I asked my  
 11:19:57 14 people, to take a look at our specific areas and --  
 11:20:00 15 and make a business decision and make a  
 11:20:01 16 recommendation based on the tragedies that had taken  
 11:20:04 17 place. And -- and that was basically it.  
 11:20:06 18 Q. Okay. What role did Ed Rabin play in the  
 11:20:12 19 reduction in force?  
 11:20:13 20 A. Very -- very little. Was -- was certainly  
 11:20:18 21 involved in the meetings but none with me.  
 11:20:26 22 Q. What role did Chuck Floyd play in the  
 11:20:29 23 reduction in force?  
 11:20:30 24 A. Chuck was in the same category as I was

11:20:33 1 where he was asked to go back to his individuals  
 11:20:35 2 and -- within his departments and determine  
 11:20:38 3 recommendations.  
 11:20:47 4 Q. Didn't you feel that the national sales  
 11:20:49 5 force was a strong point in the company?  
 11:20:54 6 A. Absolutely.  
 11:20:56 7 Q. And in the year 2001 didn't you feel that  
 11:20:59 8 the national sales force had very high credibility?  
 11:21:02 9 A. I always have felt that the national sales  
 11:21:04 10 force has high credibility.  
 11:21:26 11 Q. Were there any specific criteria developed  
 11:21:28 12 to determine how many people would have to be  
 11:21:31 13 terminated?  
 11:21:32 14 A. No.  
 11:21:34 15 Q. Were there any specific criteria developed  
 11:21:39 16 to determine which individuals would have to be  
 11:21:41 17 terminated?  
 11:21:44 18 A. Again, to the best of my knowledge and it  
 11:21:46 19 was, you know, Jack's recommendation to go through  
 11:21:48 20 the process, he specifically looked at market  
 11:21:53 21 segments, he looked at customer relationships in  
 11:21:58 22 specific areas, he analyzed each person's individual  
 11:22:04 23 account loads and so forth and came through with  
 11:22:07 24 recommendations that way, as did others in their own

11:22:12 1 areas. They looked specifically into the business  
 11:22:15 2 at hand and -- and tried to make the best decisions  
 11:22:17 3 that they could make.  
 11:22:20 4 Q. Okay. I understand you've mentioned these  
 11:22:25 5 three -- well, cost savings, trying to minimize lost  
 11:22:31 6 production to the company. Was there a third one?  
 11:22:34 7 A. And doing it without impact -- with  
 11:22:37 8 impacting the least amount of people possible.  
 11:22:39 9 Q. Impacting the least amount of people?  
 11:22:42 10 A. Right. Exactly.  
 11:22:45 11 Q. Was seniority a criteria that was  
 11:22:49 12 considered?  
 11:22:49 13 A. I personally didn't look at seniority  
 11:22:52 14 myself. I felt and still do that our national sales  
 11:22:58 15 office group is a very mature group. It was not  
 11:23:03 16 until after the allegations came out relative to  
 11:23:06 17 this that we actually went back and took a look at  
 11:23:09 18 some of the demographics in those areas, again, to  
 11:23:12 19 see that, you know, 52 percent of our people were  
 11:23:15 20 over the age of 40 and -- and so forth. I had asked  
 11:23:17 21 that my team do that and -- and take a look at it,  
 11:23:21 22 because I was quite honestly shocked and surprised.  
 11:23:24 23 We took a look at it from a business perspective and  
 11:23:26 24 that's all that we did.

11:23:28 1 Q. Okay. You didn't consider long-term  
11:23:30 2 performance as a criteria?  
11:23:32 3 A. Again, I defer to Jack on that, but again,  
11:23:37 4 we looked at market specific situations.  
11:23:39 5 Q. You didn't consider short-term performance  
11:23:43 6 as a criteria, did you?  
11:23:44 7 A. Same answer as before. We looked at  
11:23:47 8 market specifics and -- and conditions relative to  
11:23:49 9 those customers.  
11:23:50 10 Q. You didn't consider long-time  
11:23:52 11 relationships with accounts, did you?  
11:23:58 12 A. I -- I'm -- again going back to -- to  
11:24:00 13 Jack, since we did take a look at customer  
11:24:03 14 relationships and markets and accounts, that  
11:24:06 15 certainly would be a criteria.  
11:24:09 16 Q. Do you think that would help to minimize  
11:24:11 17 lost production if you took into account long-time  
11:24:17 18 relationship with accounts?  
11:24:17 19 A. In -- in some cases. Again, this is not a  
11:24:20 20 widget factory type of business. You have customers  
11:24:24 21 that come and go. You have accounts in business  
11:24:27 22 that come and go. It's a little bit more  
11:24:30 23 complicated in my eyes than just saying that because  
11:24:33 24 somebody happens to have a long-term relationship

11:24:35 1 with someone that it's going to mean that we're  
11:24:37 2 going to get the most business necessarily out of  
11:24:39 3 it. Again, you have to analyze a lot of different  
11:24:44 4 components to the market segments themselves and  
11:24:47 5 their overall value to the company.  
11:24:48 6 Q. Do you think that an employee's long-term  
11:24:52 7 relationship with a major account is something that  
11:24:55 8 should be taken into consideration in this reduction  
11:24:58 9 in force?  
11:24:59 10 A. Again, it is specifically a situation of  
11:25:02 11 the existing circumstances about those accounts and  
11:25:06 12 about those market segments and the geography in  
11:25:10 13 some cases of -- of where those are -- where those  
11:25:13 14 are located. Yes, I would hope that all of those  
11:25:16 15 things were taken into consideration.  
11:25:20 16 Q. Did you take into account the amount Hyatt  
11:25:22 17 spent on schooling and training any of the people  
11:25:25 18 that were terminated?  
11:25:26 19 MS. GALLION: Object to the form of the  
11:25:27 20 question. Assumes that he made the decisions.  
11:25:30 21 Subject to that, you can answer.  
11:25:32 22 A. No.  
11:25:37 23 Q. Did you take into account whether any of  
11:25:40 24 these people terminated had paid their own moving

11:25:43 1 costs at Hyatt's request to move to a location?  
11:25:47 2 MS. GALLION: Same objection. Objection  
11:25:48 3 to the form of the question, asking if he  
11:25:49 4 himself.  
11:25:50 5 But you may answer.  
11:25:51 6 Q. Yes, I'm asking you yourself.  
11:25:53 7 A. Personally I did not take a look at that.  
11:25:55 8 Q. Did you take into consideration the cost  
11:25:59 9 of satellite offices which are known as SOHOs?  
11:26:05 10 A. I did not personally take that into  
11:26:18 11 consideration although I know that Jack did take a  
11:26:18 12 look at that in some instances.  
11:26:18 13 Q. Okay. Did Jack tell you that the cost of  
11:26:20 14 a SOHO was a reason for terminating anybody?  
11:26:22 15 A. There were some savings in some certain  
11:26:28 16 satellite locations, not necessarily so much home  
11:26:30 17 offices but in locations where we had potentially  
11:26:34 18 rent payments and things like that to specific  
11:26:36 19 hotels or in some areas where we potentially  
11:26:40 20 anticipated that, based on the economy, we would  
11:26:42 21 have had to deal with some additional expenses.  
11:26:49 22 Q. Okay. Do you think you can identify those  
11:26:50 23 when you see the documents?  
11:26:57 24 A. No.

11:27:02 1 Q. Did -- did you take into account any of  
11:27:03 2 the employees' awards and achievements in deciding  
11:27:07 3 who to terminate?  
11:27:08 4 A. No.  
11:27:08 5 Q. Did you take into account their annual  
11:27:11 6 performance reviews?  
11:27:13 7 A. No.  
11:27:13 8 Q. Did you take into account an employee's  
11:27:16 9 long-term loyalty to the company versus employees  
11:27:20 10 who may have quit the company and come back?  
11:27:24 11 A. We have a lot of long-term employees that  
11:27:27 12 have great loyalty to us. It was a -- it was a  
11:27:28 13 business decision. No.  
11:27:32 14 Q. Did you consider problems you might have  
11:27:35 15 in accommodating an employee's disability when  
11:27:37 16 making a decision to terminate any of these  
11:27:41 17 employees?  
11:27:41 18 A. No.  
11:27:45 19 Q. Did you give any consideration to the  
11:27:46 20 effect a termination might have on an employee's  
11:27:52 21 long-term savings and the tax consequences to them?  
11:27:56 22 A. Not specifically. I mean, of course you  
11:27:58 23 think about that with everybody. I mean, everybody  
11:28:00 24 has -- has issues. But again, to say that we looked



12:02:38 1 I wouldn't say that I positioned people. I don't  
 12:02:40 2 think that's an appropriate word. I don't know  
 12:02:42 3 what --  
 12:02:43 4 Q. Is that a word that you use or don't use?  
 12:02:45 5 A. No, I don't use it, no.  
 6 (Plaintiff's Exhibit  
 7 31a was referenced.)  
 12:02:58 8 Q. Show you Exhibit Number 31a.  
 12:03:04 9 A. Okay.  
 12:03:05 10 MS. GALLION: Thank you.  
 12:03:12 11 Q. Do you recognize this as your review of  
 12:03:14 12 Jack Horne?  
 12:03:14 13 A. Yeah, from a couple of years ago, yes.  
 12:03:17 14 Q. Okay. Well, this was for the 2000, right?  
 12:03:20 15 A. Okay. Yeah.  
 12:03:21 16 Q. Do you -- can you see that in --  
 12:03:22 17 A. Yes.  
 12:03:22 18 Q. -- the second paragraph?  
 12:03:23 19 A. Yeah, I sure can. Right.  
 12:03:25 20 Q. Okay. Would you look at the third  
 12:03:27 21 paragraph from the bottom.  
 12:03:28 22 A. I -- I see.  
 12:03:29 23 Q. Could you read that into the record.  
 12:03:31 24 A. I would be happy to: Throughout 2001 we

12:03:34 1 will be positioning Jack Horne for a promotion as  
 12:03:37 2 vice president.  
 12:03:38 3 Q. And the rest of it, please.  
 12:03:39 4 A. "During that time it will be critical to  
 12:03:42 5 give Jack extra exposure internally to allow him the  
 12:03:46 6 opportunity to show what he can bring to the  
 12:03:48 7 company."  
 12:03:49 8 Q. Okay. And then did you make an effort to  
 12:03:51 9 give Mr. Horne extra exposure so that he would be in  
 12:03:57 10 the best position to get this promotion?  
 12:03:58 11 A. When opportunities existed. He has not  
 12:04:01 12 gotten that promotion, by the way.  
 12:04:03 13 Q. But you've given him the exposure to get  
 12:04:05 14 it, haven't you?  
 12:04:07 15 A. I -- I -- certainly.  
 12:04:14 16 Q. Okay. When did you -- well, didn't you  
 12:04:15 17 also position Rob Sarmiento to be promoted to his  
 12:04:19 18 current position?  
 12:04:20 19 A. I didn't position Rob Sarmiento. The --  
 12:04:25 20 Rob took my place. I was in Rob's job before moving  
 12:04:29 21 into my current role, and so Rob was, again, a hire  
 12:04:37 22 of mine into that position that I had just recently  
 12:04:41 23 vacated.  
 12:04:44 24 Q. Well, isn't he the person that you had in

12:04:45 1 mind to replace you as -- as your -- in your  
 12:04:49 2 succession planning?  
 12:04:50 3 A. Not -- not exactly. As a matter of fact,  
 12:04:51 4 I had offered it to another individual first who  
 12:04:53 5 turned me down.  
 12:04:55 6 Q. And who was that?  
 12:04:56 7 A. Terri Benich, who was our director of  
 12:04:58 8 marketing out in Scottsdale. Rationale behind that,  
 12:05:01 9 we were looking for somebody that had primarily  
 12:05:06 10 international experience but also multiple hotel  
 12:05:10 11 experience. Terri's hotel has done the best job of  
 12:05:13 12 any of our hotels on international business. She  
 12:05:19 13 unfortunately did not want to accept the position or  
 12:05:22 14 move to Chicago. She was in the process at the time  
 12:05:26 15 of adopting a baby from Russia and it was just not  
 12:05:32 16 good timing from that perspective. But she did --  
 12:05:35 17 she did turn me down unfortunately, because I think  
 12:05:39 18 she would have done an excellent job.  
 12:05:42 19 My next course of action was to, again,  
 12:05:44 20 take a look at the potential people that were out  
 12:05:50 21 there. Rob having worked in the southern division  
 12:05:54 22 and being responsible for some 27 hotels, also being  
 12:06:00 23 of Cuban descent, speaking Spanish fluently, growing  
 12:06:04 24 up in Mexico City and having an understanding of

12:06:07 1 the -- of the marketplace that we were actually  
 12:06:09 2 trying to attract on the international side, was  
 12:06:11 3 important to me. And I also thought that through  
 12:06:14 4 his experience he brought a -- a sense of a separate  
 12:06:17 5 set of eyes to the position, very similar to what I  
 12:06:22 6 had done when I was in the position coming from a  
 12:06:25 7 divisional director of sales.  
 12:06:28 8 Q. When did you offer this position to Terri  
 12:06:31 9 Benich?  
 12:06:33 10 A. Again, I don't remember the specific  
 12:06:34 11 dates, but it was -- it was before Rob.  
 12:06:38 12 Q. How did you make the offer? Was it oral?  
 12:06:41 13 A. It was oral. I contacted her over the  
 12:06:44 14 phone.  
 12:06:44 15 Q. And you said you knew she had just adopted  
 12:06:46 16 a baby.  
 12:06:47 17 A. Not until I had talked to her. She -- she  
 12:06:49 18 very seriously considered it. She thought that  
 12:06:52 19 there were some opportunities. If there were any  
 12:06:54 20 place that she could have worked it out, it would  
 12:06:57 21 have been either Chicago or Scottsdale where she's  
 12:06:59 22 at. She has family in the Chicago area, thought  
 12:07:01 23 that that might be able to work from a, you know,  
 12:07:05 24 coverage perspective for the -- for the child, but

12:20:10 1 percentage of where it is and then measure where you  
 12:20:13 2 are today one year later and see for two years out  
 12:20:17 3 how --  
 12:20:18 4 Q. Okay.  
 12:20:19 5 A. -- how -- how the business works.  
 12:20:21 6 Q. Could you look at item 3.  
 12:20:22 7 A. Sure.  
 12:20:22 8 Q. This says National Sales Production.  
 12:20:25 9 A. Uh-huh.  
 12:20:25 10 Q. And can you just read that into the  
 12:20:27 11 record.  
 12:20:27 12 A. The national sales force or The NSF  
 12:20:31 13 produced \$481 million in 2000, which exceeded quota  
 12:20:36 14 by 59 million and 1999 by 104 million.  
 12:20:55 15 Q. What does the -- the reference to 1999  
 12:20:55 16 mean?  
 12:20:55 17 A. That year's production.  
 12:20:55 18 Q. So in '99 and 2000 they significantly  
 12:20:58 19 exceeded their quota?  
 12:21:00 20 A. No, what we're -- what we're saying is  
 12:21:01 21 they produced \$481 million in 2000. It exceeded  
 12:21:05 22 their quota by 59 million. It exceeded the previous  
 12:21:10 23 year's number by 104.  
 12:21:14 24 Q. Okay.

12:21:14 1 A. Okay?  
 12:21:15 2 Q. Then could you look at item number 4.  
 12:21:17 3 A. Yes.  
 12:21:18 4 Q. Field Sales Production.  
 12:21:22 5 A. Uh-huh.  
 12:21:22 6 Q. What is field sales production?  
 12:21:23 7 A. Those are the business that are produced  
 12:21:26 8 in our hotels by the sales force that are located in  
 12:21:32 9 our hotels.  
 12:21:33 10 Q. Okay. What's the difference between the  
 12:21:36 11 field sales force and the national sales force?  
 12:21:39 12 A. Each individual hotel has anywhere from 2  
 12:21:44 13 to 15, 20, depending upon the size of hotel,  
 12:21:48 14 salespeople that are responsible for generating  
 12:21:50 15 business for that hotel. They are specifically paid  
 12:21:54 16 for by the owner of that hotel and work solely for  
 12:21:57 17 that hotel.  
 12:21:59 18 Again, each one of those has a specific  
 12:22:02 19 quota that they're responsible for. The national  
 12:22:06 20 sales office is what we consider to be our  
 12:22:09 21 supplemental force that works national accounts,  
 12:22:11 22 that have multiple Hyatt opportunities to try to,  
 12:22:16 23 again, infuse additional business into the hotels  
 12:22:19 24 above and beyond what their local sales effort would

12:22:22 1 be. It usually represents, Bob, about 40 percent of  
 12:22:26 2 our business, the national sales office does. Some  
 12:22:29 3 years it's 37, some years it's 42, but in general  
 12:22:32 4 it's about -- it -- it's about 40 percent.  
 12:22:35 5 Q. Is there a difference in the type of  
 12:22:38 6 accounts, the national and field sales?  
 12:22:40 7 A. Absolutely. Again, a national account  
 12:22:45 8 needs to be one that has multiple Hyatt  
 12:22:47 9 opportunities. It -- it needs to be the -- the --  
 12:22:51 10 the type of account that, again, has additional  
 12:22:55 11 potential that we could -- we could garner. More of  
 12:22:59 12 a local account base is something that, you know,  
 12:23:02 13 might specifically service a -- a specific regional  
 12:23:06 14 area.  
 12:23:07 15 Q. What do you mean by multiple Hyatt  
 12:23:09 16 opportunities?  
 12:23:10 17 A. That the account wouldn't just work for  
 12:23:13 18 one specific location, that it would have the  
 12:23:15 19 ability to impact a number of our hotels.  
 12:23:19 20 Q. Okay. Does it have anything to do with  
 12:23:23 21 more than one event?  
 12:23:26 22 A. Certainly. Nothing -- there's no specific  
 12:23:30 23 rationale that it has to have a certain amount of  
 12:23:32 24 events or, you know, things along those lines, but

12:23:35 1 definitely if an account has more events that go  
 12:23:38 2 more nationally in scope or to a number of hotels,  
 12:23:41 3 that's -- that's -- that's a good thing.  
 12:23:43 4 Q. Could you give me an example of what, you  
 12:23:46 5 know, a national account and a field account that  
 12:23:48 6 would help to understand?  
 12:23:51 7 A. A national account here locally in Chicago  
 12:23:53 8 would be the American Medical Association. The  
 12:23:59 9 American Medical Association has hundreds of  
 12:24:00 10 meetings. They go all over the world, not only --  
 12:24:04 11 not only nationally. They have the ability to  
 12:24:08 12 impact a number of our hotels, have very large  
 12:24:12 13 meetings, have very small meetings, you know,  
 12:24:14 14 that -- that type of thing, have great production  
 12:24:17 15 potential.  
 12:24:18 16 A local account could potentially be a  
 12:24:22 17 local Chicago business that might stray to another  
 12:24:26 18 location but chances are most of their business is  
 12:24:29 19 going to be held in Chicago.  
 12:24:32 20 Q. Okay. Do the -- do the field salespeople  
 12:24:34 21 have accounts?  
 12:24:35 22 A. Absolutely. Absolutely.  
 12:24:43 23 Q. Okay.  
 12:24:43 24 A. Yeah, the way that our -- the way that our

12:24:44 1 structure works relative to that relationship is we  
 12:24:49 2 focus initially on the hotels to start with and we  
 12:24:52 3 create what we call future group revenue targets.  
 12:24:55 4 And those targets are determined by the hotels as to  
 12:24:59 5 what they need to achieve in the current year, the  
 12:25:03 6 next year and the year after, relative to their  
 12:25:05 7 group and convention business. We then take that,  
 12:25:09 8 roll it up and find out what an overall companywide  
 12:25:13 9 number is that we certainly need to book in order to  
 12:25:15 10 be -- in order to get the hotels to the goals that  
 12:25:18 11 they need to achieve.

12:25:20 12 Q. Is the -- is the future group revenue  
 12:25:24 13 target is another name for that quota or is that  
 12:25:27 14 different?

12:25:28 15 A. No, that's different. The future group  
 12:25:30 16 revenue targets are -- are the target that a hotel  
 12:25:33 17 general manager feels he or she needs to have in  
 12:25:35 18 their hotel in order to be successful in future  
 12:25:37 19 years. So in other words, you may take the revenue  
 12:25:39 20 that you have for this year, feel that in order to  
 12:25:42 21 continue to make debt service on the hotel and so  
 12:25:45 22 forth, that you need to grow your group business by  
 12:25:48 23 5 percent or 4 percent or 6 percent next year.  
 12:25:50 24 Maybe the following year it's only 3 or 4 percent.

12:25:53 1 It depends a lot on some of the local dynamics, but  
 12:25:56 2 it becomes a rolled-up number that we -- we focus in  
 12:25:58 3 on. It is how quotas are eventually established,  
 12:26:03 4 though.

12:26:04 5 Q. Okay. Were you involved in -- in the  
 12:26:06 6 future group revenue targets in your job now?

12:26:09 7 A. The -- Fred Shea actually handles them  
 12:26:12 8 specifically and works with our divisional directors  
 12:26:15 9 of sales to roll them up. I see the end number when  
 12:26:18 10 it's all done.

12:26:19 11 Q. Okay. How about for the national sales  
 12:26:21 12 force, do they have a future group revenue target?

12:26:34 13 A. Well, what -- what -- what happens is  
 12:26:34 14 once we roll up this large company number of what we  
 12:26:34 15 need to accomplish in all of our hotels in order to  
 12:26:34 16 be successful, we then go back in and apply the  
 12:26:35 17 model that I discussed earlier of the rough  
 12:26:37 18 percentages that we've seen historically out of  
 12:26:40 19 accounts that make sense. So in other words, we'll  
 12:26:43 20 take 40 percent, because again it could be 42 one  
 12:26:46 21 year or 37 the next, but in general we found that  
 12:26:49 22 40 percent is a relatively good number for our  
 12:26:52 23 national business to infuse into this total.

12:26:54 24 Q. 40 percent of what?

12:26:55 1 A. Of that total of -- of rolled-up future  
 12:26:58 2 group revenue target for all of our hotels. Let's  
 12:27:02 3 use Chicago as an example. Let's say that year over  
 12:27:05 4 year we need to generate an additional \$10 million  
 12:27:08 5 in group business in order to be successful from  
 12:27:12 6 where we are at this hotel. That would get  
 12:27:14 7 aggregated up to all of our hotels throughout the --  
 12:27:18 8 throughout the company, and let's say for  
 12:27:20 9 hypothetical numbers for easy math that that's  
 12:27:23 10 \$100 million.

12:27:23 11 Q. So you'd have to start with the total  
 12:27:26 12 group revenue target for all the hotels?

12:27:28 13 A. Correct.

12:27:29 14 Q. Okay.

12:27:29 15 A. Correct. You have \$100 million. Then we  
 12:27:31 16 will take the model of our past practices where  
 12:27:34 17 we've seen that the national sales office  
 12:27:36 18 represents, again, about 40 percent of that total.  
 12:27:39 19 In this case then, if it were \$100 million,  
 12:27:41 20 \$40 million of it would be allocated toward the  
 12:27:46 21 national sales office to generate for the total of  
 12:27:48 22 our hotels. The remaining 60 million would be the  
 12:27:51 23 responsibility of the field sales. And from that,  
 12:27:54 24 that's where the analysis goes in to determine

12:27:57 1 quotas.

12:27:58 2 Q. Okay. Thank you. Now, going back to this  
 12:28:01 3 item number 4 --

12:28:02 4 A. Uh-huh.

12:28:02 5 Q. -- Field Sales Production, the field sales  
 12:28:06 6 were under their quota in 2000, right?

12:28:09 7 A. Correct.

12:28:10 8 Q. Slightly?

12:28:10 9 A. Correct.

12:28:14 10 Q. Now, could you look at number 5, Human  
 12:28:16 11 Resources.

12:28:17 12 A. Uh-huh.

12:28:18 13 Q. This is saying that there were three new  
 12:28:22 14 assistant vice presidents?

12:28:24 15 A. Correct.

12:28:27 16 Q. Were you involved in the hiring or  
 12:28:29 17 promotion of any of these three?

12:28:32 18 A. Was not for Jack Horne. That was done  
 12:28:34 19 before I came into the role. So he was one but he,  
 12:28:37 20 again, was very new. He had been in the position  
 12:28:40 21 just a few months when I took over.

12:28:42 22 Q. Okay.

12:28:43 23 A. Rob Sarmiento was the other one, who we  
 12:28:45 24 have discussed earlier. And Steve Enselein was

14:22:37 1 Q. Okay. What is this?  
 14:22:38 2 A. This was the summary page that I spoke to  
 14:22:41 3 earlier that I used to put, so to speak, on top of  
 14:22:48 4 the recommendations that my people had made in all  
 14:22:51 5 their various areas.  
 14:22:54 6 Q. All right. Now, this -- this one is for  
 14:22:58 7 corporate sales?  
 14:22:59 8 A. Correct.  
 14:23:01 9 Q. Okay. Did you have separate memos for  
 14:23:04 10 other departments that you gave to Mr. Miller?  
 14:23:08 11 A. No. No. When you say other departments,  
 14:23:11 12 can you clarify?  
 14:23:12 13 Q. Okay. Were -- were there -- I -- I  
 14:23:15 14 thought that you gave me a list of other department  
 14:23:18 15 heads that you asked to make recommendations on  
 14:23:20 16 terminations.  
 14:23:22 17 A. Correct.  
 14:23:23 18 Q. Do you remember those people?  
 14:23:23 19 A. Correct.  
 14:23:25 20 Q. Okay.  
 14:23:25 21 A. And they -- when you get to the next piece  
 14:23:29 22 you'll see that they're broken down by each one of  
 14:23:31 23 those people.  
 14:23:32 24 Q. Okay. They're all included in this?

14:23:34 1 A. Yes.  
 14:23:35 2 Q. Okay.  
 14:23:35 3 A. Yes.  
 14:23:36 4 Q. Okay. Did every department head rank each  
 14:23:51 5 position A, B or C?  
 14:23:53 6 A. No. As I mentioned earlier, I believe it  
 14:23:56 7 was Jack's idea to try to prioritize it that way.  
 14:24:01 8 Again, we were concerned that if there happened to  
 14:24:03 9 be another tragedy that would take place or  
 14:24:06 10 something that would -- would happen along those  
 14:24:09 11 lines, that we had at least gone through and taken a  
 14:24:11 12 look at what a possible next step would be if we  
 14:24:14 13 needed to go that route.  
 14:24:16 14 Q. Okay. That's, I guess, what's confusing  
 14:24:18 15 me, because the second sentence here says you rank  
 14:24:22 16 each position A, B or C.  
 14:24:24 17 A. Correct.  
 14:24:25 18 Q. And -- or I thought you told me that you  
 14:24:29 19 included more than just Mr. Horne's recommendations  
 14:24:32 20 here.  
 14:24:33 21 A. We -- we did. Again, in the morning  
 14:24:34 22 meeting after the fact Jack said at that point, hey,  
 14:24:38 23 guys, why don't we try to do this as A, Bs and Cs.  
 14:24:50 24 That would make some sense. We all thought that

14:24:50 1 made -- made good sense and that's how the rest of  
 14:24:50 2 the group did it as well.  
 14:24:50 3 Q. Okay. Okay. Now, it says: A positions  
 14:24:53 4 are critical to the core of our operations.  
 14:24:57 5 A. Uh-huh.  
 14:24:58 6 Q. Right? Who made that determination?  
 14:25:00 7 A. Each one of my department heads made that  
 14:25:03 8 determination.  
 14:25:05 9 Q. Okay. Were there any criteria provided to  
 14:25:12 10 them to make this determination?  
 14:25:15 11 A. Beyond what I had mentioned to you before  
 14:25:16 12 about the three things of taking care of an  
 14:25:20 13 opportunity to do this to the least amount of  
 14:25:21 14 people, to save revenue where we could and to cut  
 14:25:25 15 some expenses where we could, no.  
 14:25:34 16 Q. Okay. Then it says: The C cuts represent  
 14:25:36 17 an annual -- an overall annual labor savings of  
 14:25:40 18 1.3 million plus PTEB.  
 14:25:44 19 A. Uh-huh.  
 14:25:44 20 Q. Who -- who made that computation?  
 14:25:46 21 A. I did.  
 14:25:47 22 Q. Okay. What was the significance of  
 14:25:55 23 1.3 million?  
 14:25:55 24 A. I just added up what the recommendations

14:25:57 1 were from all of my people and was just reporting  
 14:26:00 2 it. This, again, was a summary of what was included  
 14:26:03 3 in the attached documents.  
 14:26:04 4 Q. Was there any requirement that you make a  
 14:26:10 5 savings of 1.3 million?  
 14:26:12 6 A. No. No.  
 14:26:14 7 Q. Could you have come back with a savings of  
 14:26:18 8 zero?  
 14:26:18 9 A. I -- I doubt it, only because of the  
 14:26:22 10 circumstances at the time. We were -- like I said,  
 14:26:29 11 we had just lost millions and millions of dollars.  
 14:26:31 12 We needed to make a business decision. I -- I don't  
 14:26:34 13 believe that -- I don't believe that that would have  
 14:26:36 14 been accepted. It was a tough thing to do, I've  
 14:26:38 15 said that before, but we had to make some tough  
 14:26:41 16 decisions.  
 14:26:41 17 Q. Could you have come back with a savings of  
 14:26:43 18 less than 1.3 million?  
 14:26:46 19 A. I -- I don't know. I didn't, so I don't  
 14:26:48 20 know if I could or couldn't.  
 14:26:51 21 Q. Well, you had options, didn't you?  
 14:26:54 22 A. I made my recommendation based on what I  
 14:26:56 23 felt was the right thing to do, geared toward what  
 14:27:00 24 my people had -- had suggested. I empowered them,



16:13:18 1 that -- at corporate that I was talking about  
 16:13:20 2 before. So my group of five direct reports and the  
 16:13:23 3 people that are underneath them.  
 16:13:25 4 Q. Would that include Mrs. Hildebrandt?  
 16:13:27 5 A. It would have included the folks in the  
 16:13:30 6 Chicago area, not necessarily in the national sales  
 16:13:32 7 office, but our corporate -- we call it the sales  
 16:13:36 8 administration area. So it's -- it doesn't relate  
 16:13:39 9 to the national sales office, no.  
 16:13:41 10 Q. Does it include some directors of  
 16:13:43 11 national sales?  
 16:13:43 12 A. No.  
 16:13:44 13 Q. Okay. Scott Miller, do you have any  
 16:13:49 14 social relationship with Mr. Miller?  
 16:13:51 15 A. No.  
 16:13:52 16 Q. Did he come on in about '99?  
 16:13:55 17 A. He actually came on at the beginning --  
 16:14:00 18 January of 2000.  
 16:14:01 19 Q. January 2000?  
 16:14:02 20 A. Yeah.  
 16:14:03 21 Q. Okay. Had he ever worked in the hotel  
 16:14:05 22 industry?  
 16:14:05 23 A. He was the president of our Hyatt  
 16:14:08 24 development corporation before that for probably two

16:15:11 1 function at his house.  
 16:15:14 2 Q. Okay. Do you have any social relationship  
 16:15:16 3 or had one with Mr. Sarmiento?  
 16:15:18 4 A. No.  
 16:15:21 5 Q. Okay. Now, you're -- are you aware that  
 16:15:25 6 Mrs. Hildebrandt expressed an interest in the  
 16:15:28 7 position that was given to Mr. Sarmiento?  
 16:15:31 8 A. I had forgotten that she had done that  
 16:15:33 9 until I was just recently reminded that that was the  
 16:15:37 10 case.  
 16:15:37 11 Q. Who reminded you?  
 16:15:39 12 A. Theresa.  
 16:15:41 13 Q. Okay. Do you remember it?  
 16:15:42 14 A. I really don't.  
 16:15:45 15 Q. Okay.  
 16:15:45 16 A. I really don't.  
 16:15:46 17 Q. Do you remember that she was told by Bruce  
 16:15:51 18 Small to call Mr. Cheatham and that after that you  
 16:15:55 19 called her --  
 16:15:56 20 A. Okay.  
 16:15:56 21 Q. -- and spoke to her about this?  
 16:15:58 22 A. I -- again, I don't -- I don't  
 16:16:00 23 specifically recall it. I don't.  
 16:16:03 24 Q. Okay.

16:14:14 1 years. And before that was responsible for a -- a  
 16:14:18 2 number of companies on the real estate and  
 16:14:20 3 development side. Some may have been involved with  
 16:14:23 4 hotels, I don't know.  
 16:14:25 5 Q. Didn't he come from the Bechtel company?  
 16:14:28 6 A. He was with them at one point. He had his  
 16:14:30 7 own company, John Buck corporation here in Chicago,  
 16:14:34 8 and then there were a number of companies he's been  
 16:14:36 9 involved with.  
 16:14:37 10 Q. Do you have any type of social  
 16:14:39 11 relationship with Mr. Rabin?  
 16:14:40 12 A. No.  
 16:14:41 13 Q. Do you have a social relationship with  
 16:14:43 14 Mr. Floyd?  
 16:14:44 15 A. No, really don't. You know, nothing  
 16:14:47 16 beyond, again, the same thing: played golf with him  
 16:14:50 17 a few times, have been to his house for the same  
 16:14:55 18 event that I had at my house when I was -- when I  
 16:14:56 19 worked for him, so...  
 16:14:59 20 Q. Okay. I'm not sure what you mean by that.  
 16:15:02 21 A. When I said before that I had had people  
 16:15:03 22 out to my house who were in our sales administration  
 16:15:06 23 area as the -- as the head of the department, when  
 16:15:09 24 he was the head of the department, I attended his

16:16:03 1 A. Not saying it didn't happen.  
 16:16:05 2 Q. Oh.  
 16:16:05 3 A. But I just don't --  
 16:16:05 4 Q. Let me just ask --  
 16:16:05 5 A. -- specifically remember.  
 16:16:06 6 Q. -- you another question about it to see if  
 16:16:09 7 it'll help --  
 16:16:10 8 A. Sure.  
 16:16:10 9 Q. -- your recollection.  
 16:16:11 10 A. Yeah.  
 16:16:11 11 Q. Do you remember telling her that  
 16:16:13 12 Mr. Sarmiento had already been selected for this  
 16:16:16 13 position --  
 16:16:18 14 A. I don't --  
 16:16:19 15 Q. -- and thanked her for her interest?  
 16:16:21 16 A. I -- I may have. Again, I don't remember  
 16:16:22 17 what time specifically it had taken place in the  
 16:16:25 18 process of trying to fill that position.  
 16:16:32 19 Q. Okay. So you --  
 16:16:33 20 A. Like I said before, I reached out to Terri  
 16:16:36 21 Benich first, who was the first person on my list  
 16:16:39 22 for that position. Then I reached out to -- to Rob.  
 16:16:43 23 Q. All right. Well, what I want to find out  
 16:16:44 24 is your -- your actual recollection --

16:16:46 1 A. Yeah.  
 16:16:46 2 Q. -- as opposed anything Ms. Gallion might  
 16:16:53 3 have told you.  
 16:16:54 4 A. Right.  
 16:16:54 5 Q. Okay?  
 16:16:54 6 A. Right.  
 16:16:54 7 Q. Do you have any recollection at all of  
 16:16:55 8 Mrs. Hildebrandt expressing an interest in that job?  
 16:16:57 9 A. After she reminded me, yes, I did remember  
 16:17:00 10 that we had had a conversation.  
 16:17:03 11 Q. Okay.  
 16:17:03 12 A. Yeah.  
 16:17:03 13 Q. So you knew she was interested in  
 16:17:05 14 advancement?  
 16:17:05 15 A. Correct.  
 16:17:05 16 Q. All right.  
 16:17:05 17 A. Absolutely.  
 16:17:06 18 Q. Do you also remember that Loretta Venezia  
 16:17:10 19 approached you about that position?  
 16:17:11 20 A. Yes, I do.  
 16:17:13 21 Q. Okay. She went to see you personally  
 16:17:15 22 about it?  
 16:17:15 23 A. Yes, I do.  
 16:17:17 24 Q. And do you remember telling her that you

16:17:19 1 had already positioned Mr. Sarmiento for that  
 16:17:22 2 position?  
 16:17:22 3 A. I don't remember that part of the  
 16:17:24 4 conversation, no. I do remember talking to her  
 16:17:27 5 about what I thought the qualifications of the job  
 16:17:30 6 entailed.  
 16:17:31 7 Q. Do you remember laughing at her during  
 16:17:33 8 that conversation?  
 16:17:34 9 A. I do not, at all. Not at all.  
 16:17:39 10 Q. Okay. Do you remember that shortly after  
 16:17:40 11 that she asked to meet with you and Mr. Horne about  
 16:17:45 12 whether she had any opportunities for advancement in  
 16:17:48 13 the company?  
 16:17:50 14 A. I remember that we had a meeting. I don't  
 16:17:52 15 know if that was the premise to -- for it or not.  
 16:17:57 16 Q. Do you remember you and Mr. Horne meeting  
 16:18:01 17 with Ms. Venezia?  
 16:18:13 18 A. Yes.  
 16:18:13 19 Q. Okay. And do you remember that you and  
 16:18:13 20 Mr. Horne made it clear to her that she did not have  
 16:18:13 21 an opportunity for advancement?  
 16:18:13 22 A. I do not remember that, not at all.  
 16:18:14 23 Q. Do you remember when that meeting took  
 16:18:16 24 place?

16:18:16 1 A. I -- I don't. I just remember that it  
 16:18:18 2 did.  
 16:18:18 3 Q. Do you remember it was last year?  
 16:18:21 4 A. I thought it was back farther than that.  
 16:18:24 5 I thought it would have been in 2000 at some point.  
 16:18:27 6 Again, I -- I don't -- I don't recall specifically.  
 16:18:34 7 Q. Okay. Do you -- are you aware that she  
 16:18:36 8 turned in her resignation the day that everyone was  
 16:18:39 9 being terminated?  
 16:18:40 10 A. Yes, I did -- I did -- was aware of that.  
 16:18:42 11 Q. Do you know why she turned in her  
 16:18:43 12 resignation?  
 16:18:43 13 A. I knew that she had found an opportunity  
 16:18:46 14 to go to work for Westin in the New York area.  
 16:18:51 15 Q. Do you know why she was looking for  
 16:18:53 16 another job?  
 16:18:54 17 A. No, I don't.  
 16:18:54 18 Q. Okay. Have you had any social  
 16:19:07 19 relationship with Brian Booth?  
 16:19:08 20 A. No.  
 16:19:11 21 Q. Do you have any social relationship with  
 16:19:13 22 Mark Henry?  
 16:19:13 23 A. No.  
 16:19:13 24 Q. Did you have anything to do with

16:19:22 1 Mr. Henry's promotion into his current position?  
 16:19:25 2 A. The only comment that I can say to that is  
 16:19:30 3 Mark had come to me and had said that he was  
 16:19:33 4 interested in trying to take on some more  
 16:19:36 5 responsibility at some point. I think he was, if I  
 16:19:40 6 remember correctly, interested in moving into one of  
 16:19:44 7 the director's jobs, and my suggestion was is that  
 16:19:47 8 he needed to get some more management experience in  
 16:19:49 9 order to consider taking on a role like that.  
 16:19:51 10 Again, it was -- it was Jack's decision on  
 16:19:53 11 who we hired and moved into those positions. Upon  
 16:19:58 12 Mark meeting with me, I did obviously make a  
 16:20:00 13 recommendation that he should certainly go for it  
 16:20:02 14 and try -- try to -- you know, not that that  
 16:20:05 15 position was open at that time, but if an  
 16:20:06 16 opportunity came about, he should certainly try  
 16:20:09 17 to --  
 16:20:09 18 Q. Well, there wasn't any such position, was  
 16:20:11 19 there?  
 16:20:11 20 A. Correct. Correct.  
 16:20:12 21 Q. This position was created for him?  
 16:20:14 22 A. I wouldn't say it was created for him.  
 16:20:16 23 Q. Who was it created for?  
 16:20:17 24 A. It was created to help us manage our

16:20:20 1 office.  
 16:20:22 2 Q. Okay. And he was given the position so he  
 16:20:24 3 could get management experience in order to advance?  
 16:20:28 4 A. That seemed -- that's correct.  
 16:20:31 5 Q. Did you consider anybody else for that  
 16:20:33 6 position?  
 16:20:34 7 A. I didn't hire the position, so no, I  
 16:20:36 8 didn't consider anybody else.  
 16:20:37 9 Q. Was this position filled before or after  
 16:20:42 10 Mr. Sarmiento's position?  
 16:20:44 11 A. I -- I don't -- I don't recall.  
 16:20:50 12 Q. Okay. Was it around the same time period?  
 16:20:58 13 A. I -- I don't recall.  
 16:21:02 14 Q. Okay. Did -- did you play any role at all  
 16:21:04 15 in the hiring of Jennifer Roman?  
 16:21:07 16 A. No.  
 16:21:07 17 Q. Mr. Horne doesn't need your approval to  
 16:21:13 18 make those decisions?  
 16:21:14 19 A. No.  
 16:21:15 20 Q. Okay. Did you play any role at all in --  
 16:21:18 21 in the transfer of Molly Crompton?  
 16:21:21 22 A. No.  
 16:21:22 23 Q. Do you have any information about any  
 16:21:25 24 complaints that she's made concerning Hyatt

16:21:28 1 officials?  
 16:21:28 2 A. No.  
 16:21:29 3 Q. Okay. Who is Vendo Toming?  
 16:21:41 4 A. He's our divisional director of sales for  
 16:21:43 5 the Victor Lopez division.  
 16:21:47 6 Q. Okay. Do you have any supervisory chain  
 16:21:50 7 with this individual?  
 16:21:52 8 A. Through Fred Shea, yes.  
 16:21:54 9 Q. Okay. Is -- is -- is he the person that  
 16:22:01 10 is allowed an exception to the -- the rule of  
 16:22:04 11 working in the same geographic area as his vice  
 16:22:07 12 president?  
 16:22:07 13 A. Yes, he's the one.  
 16:22:09 14 Q. Okay. Where has he been allowed to work?  
 16:22:12 15 A. He's based in Dallas and his divisional  
 16:22:14 16 vice president is based in Miami.  
 16:22:17 17 Q. And this is for his personal convenience?  
 16:22:19 18 A. I -- I would assume so. It's been that  
 16:22:21 19 way since I've been with Hyatt.  
 16:22:24 20 Q. What's been that way?  
 16:22:25 21 A. That he's been separated in that same  
 16:22:28 22 capacity.  
 16:22:30 23 Q. Do you know why Jennifer Roman was allowed  
 16:22:33 24 to work in Atlanta even though she was assigned to

16:22:36 1 Omaha?  
 16:22:37 2 A. No. I believe it was based on her account  
 16:22:39 3 knowledge in the area, but that's --  
 16:22:44 4 Q. Do you know whether Molly Crompton handles  
 16:22:57 5 accounts that are in Dallas?  
 16:22:58 6 A. No.  
 16:22:59 7 Q. Do you know why Miss Murphy was allowed to  
 16:23:03 8 open an office in Baltimore even though her accounts  
 16:23:06 9 are in Philadelphia?  
 16:23:08 10 A. Nope.  
 16:23:09 11 Q. Did you know that Mary Rocereto had two  
 16:23:17 12 accounts in Ohio?  
 16:23:19 13 A. Nope.  
 16:23:26 14 Q. We talked before about the -- the owners  
 16:23:31 15 saving money on these terminations.  
 16:23:33 16 A. Uh-huh.  
 16:23:34 17 Q. Was it the owners or Hyatt that paid the  
 16:23:36 18 unemployment insurance on the people who were  
 16:23:39 19 terminated, if you know?  
 16:23:40 20 A. I don't know.  
 16:23:41 21 Q. Okay. Do you know if it was the owners or  
 16:23:46 22 Hyatt who paid the severances on the people who were  
 16:23:48 23 terminated?  
 16:23:50 24 A. I -- I don't know for sure. I would

16:23:52 1 assume it was Hyatt.  
 16:23:53 2 Q. Okay. Do you know of any positions that  
 16:24:01 3 were available on or about October 1st or would be  
 16:24:08 4 available after October 1st that terminated people  
 16:24:16 5 could have been placed in?  
 16:24:18 6 A. Beyond the Dearborn situation and the  
 16:24:21 7 Atlanta situation, no.  
 16:24:23 8 Q. Okay. What's the Atlanta situation?  
 16:24:25 9 A. We just had a resignation there. Gary  
 16:24:27 10 Schneeberg, one of our national sales managers, left  
 16:24:31 11 us to go to work for Six Continents down there in  
 16:24:35 12 Atlanta.  
 16:24:37 13 Q. Okay. Are you aware of the -- the opening  
 16:24:39 14 at the Huntington Beach resort?  
 16:24:41 15 A. It's -- yeah, it's a -- it's a field hotel  
 16:24:45 16 sales job, yes.  
 16:24:47 17 Q. Well, these people who were terminated  
 16:25:00 18 from the national sales force certainly would have  
 16:25:00 19 qualified for that job?  
 16:25:00 20 A. I thought when you were saying it before  
 16:25:00 21 you were talking about corporate-related  
 16:25:00 22 positions --  
 16:25:00 23 Q. Okay.  
 16:25:00 24 A. -- not field positions. I mean, again, we